Pace of Change

Massive change in knowledge requirements and career responsibilities, combined with substantial upheaval in the structure of work and of the workforce, means that your members are faced with unprecedented turmoil and challenge. Are you up to the task of delivering them what they need?

by Jim Carroll

In the midst of a period of time that involves the most dramatic rates of change to have ever occurred, here's a controversial issue to consider: are you, as an association, still relevant to your members? Are you delivering them what they need to survive and thrive in the turmoil that surrounds them?

Now is the time for all association executives to take a good hard look at what they are doing, how they are doing it, and asking themselves whether they should be doing something different. And, in doing so, it may be time to re-engage your membership by getting their participation in the debate.

Two Big Issues

In preparing recently for a talk, I reflected on the major trends that are affecting association members. My goal was to provide insight to association executives as to what they should be doing, by providing them guidance on how the careers, jobs, professions, skills and responsibilities of their members are changing.

The more I began to think about it, my basic presumption became quite simple: most members in most associations are drowning in a period of absolutely rapid and relentless change, and perhaps associations are not doing enough to provide them the guidance, wisdom, skill, knowledge and insight to deal with the challenges being tossed their way. Regardless of whether they are a member of a profession or industry-based association (and to a lesser degree, charitable associations) they are being impacted by two major trends: (1) as a result of exploding volumes of knowledge, there is a massive change in what they are expected to know, which results in an ongoing, regular change in their career or job; and (2) they are in the midst of a rapid change in the structure of work, both in the nature of the organizations they work for, as well as the emergence of a new globally competitive skills marketplace.

In short, your members need critical guidance, education, support and assistance to deal with these two realities, and if they don't get it by being the member of your association, they'll begin to seek this guidance elsewhere.

Massive Change in Knowledge Requirements and Career Responsibilities

The most significant trend that has impacted association members through the last 10 years is the fact that the rapidity of information exchange has forever changed. As an association, you once played a pivotal role in this information exchange and in knowledge transfer. Ask yourself whether you still play such a role today.

Years ago, information within your association base was exchanged at a leisurely pace through industry publications and peer-reviewed journals and at your annual conference and occasional association get together. It was easy for people to keep up to date with new issues, challenges, skills and capabilities. While the traditional forms of information exchange still exist, they are being surpassed by the emergence of new, informal, unwieldy and massively global methods of information distribution. This is speeding up the rate of innovation, of scientific discoveries and of the development of new knowledge. The simple fact is that most individuals are absolutely drowning and are unable to keep up with the new knowledge that they are expected to master within their profession.

Consider medical professionals: it is estimated that medical knowledge is now doubling every eight years, with the result that the vast majority of individuals in any field of medical science are unable to

Getting here is easy...
Planning an event with ample conference space, fully-equipped meeting rooms, clean and comfortable accommodations, great food, a full slate of leisure activities, and a good night's sleep ...
...that's even easier!
Meet in Midland
The Midland County Convention & Visitors Bureau can put you in touch with all that Midland has to offer.
Visit us at www.miclandcvb.org
or call us at 888.464-3526 extension 206.
CONTACT US FOR YOUR FREE MEETING PLANNING GUIDE
300 Rodd Street
Midland, MI 48640-5126
888-4-MIDLAND or 989-839-9522
Info@midlandcvb.org
MIDLAND COUNTY CONVENTION & VISITORS BUREAU
www.midlandcvb.org

keep up to date with the most recent new treatments and protocols. The impact of this expanding base of knowledge is that no one individual, regardless of who they are and what they do, can now be expected to know everything that there is to know. What this is leading to is the fragmentation of each career and profession into dozens of different specialties.

Consider the world of engineering. Ten years ago, we had a profession known as "mechanical engineers." This profession is now rapidly fragmenting into dozens, if not hundred of sub-specialties. We are seeing the emerging of mechanical engineering specialists who focus solely on the implementation of new manufacturing methodologies; others who are "process transformation specialists"; and still more who are experts in dealing with emerging smart, hyper-connected remote maintenance technologies.

How do you support your members in this area of heightened specialization? What is your relevance in the era of massive specialization? What additional new or different services should you provide them?

Maybe it is time for some new soul searching here. Is your association truly helping your members to cope with the deluge? Are you rising up to the challenge of ever-increasing knowledge needs, or are you doing what you were doing 10 years ago when the world was dramatically different?

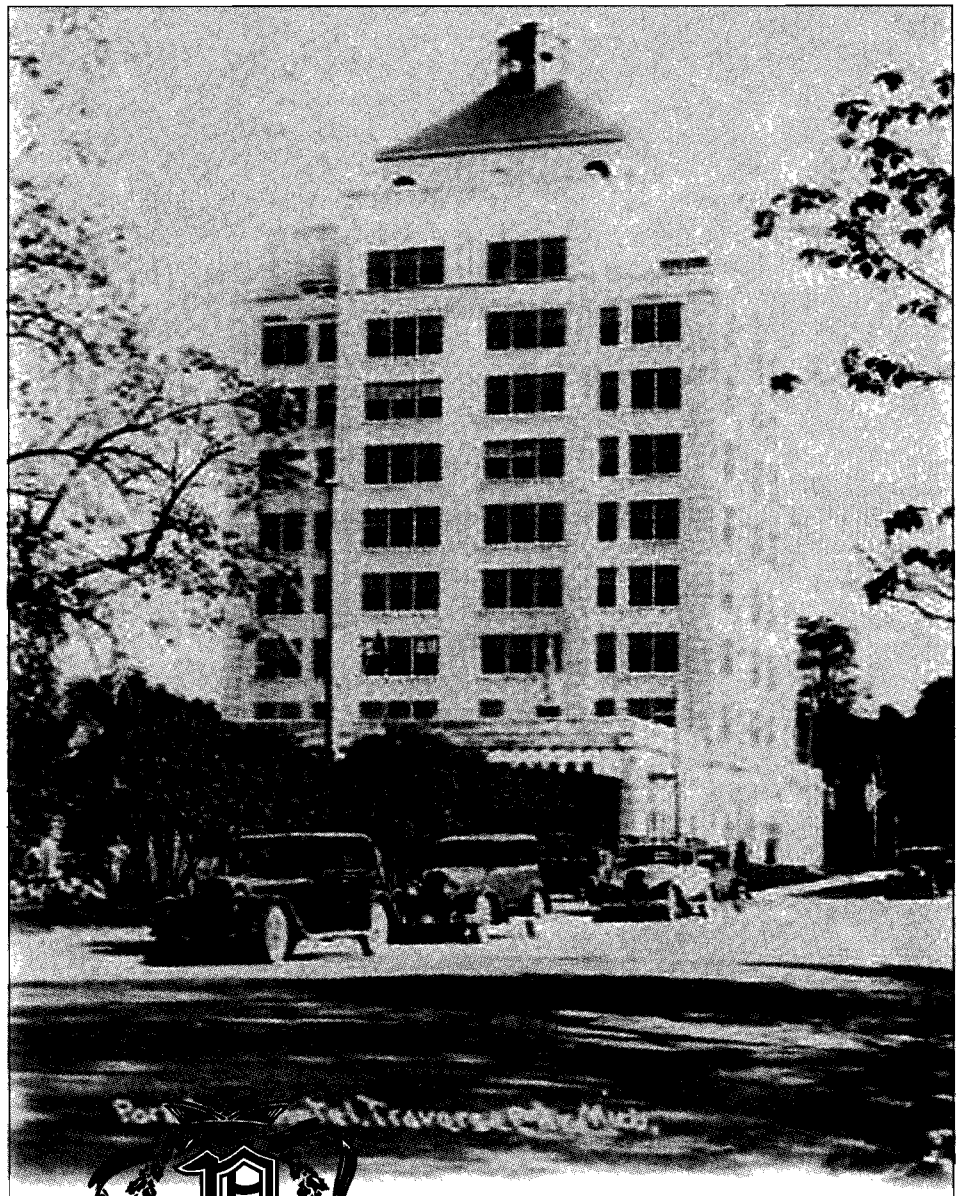
Massive Upheaval in Work Structure

The second major trend impacting your members is that they continue to witness an ever-increasing degree of upheaval in the structure of the workforce in which they participate. Some of them are seeing a rapid devaluation of the value of their skill set; others are witnessing ongoing change in the nature of whom they work for. Your association must be prepared to help them make a transition that increases their value, not to mention being prepared to support them as they enter a workplace that is becoming increasingly more difficult to define.

Let's put the reality of global trends into stark perspective: China. It is undeniable that the world is in the midst of a massive economic restructuring. General Motors Corp. plans to increase by 20 fold the product it sources from China (from $200 million to $4 billion by 2009). The reason is an average hourly wage of 90 cents in China versus $22.50 or more in the U.S. China is now the world's largest steel producer and consumer, with some 220 million tons produced in 2004, up from 100 million tons in 2001.

In fact, if you dig into the numbers, I would argue that most any professional or industry association is being impacted by such dramatic trends. Two-thirds of the members of the U.S.-based National Electrical Manufacturers Association are already sourcing product from China, and half of the remaining one-third plan to be doing so within the next year. There is so much momentum that half of the world's small motors is now made in China. Other manufacturing associations are being impacted in similar ways: China passed the U.S. in machine tool consumption in 2002 and has doubled

(continued on page 28)



(continued from page 23)

already its consumption from that year by 2004.

The result is that every industry has to deal with what has come to be called "the China price." That's the price that a Chinese company can offer on almost any given product, and the only thing that you can be certain of it is that it is a price that is guaranteed to be lower than that offered by anyone else. In the era of "the China price," your members will continue to encounter relentless, ongoing, regular incessant restructuring, as their organizations struggle to pare back and manage their cost base.

The China price doesn't affect just products – it also has a major impact on services. About 50 percent of the Chinese population is less than the age of 25, and they are ready and eager to provide their skilled services to the world. Whether you want to think about it or not, there is an off-shoring trend and commoditization of human capital. I remain convinced that many association executives don't appreciate just how quickly this trend is going to impact their members.

The savings on offshore administrative and professional work ranges form 15 to 30 percent, according to *Optimize Magazine*. As a result, we can expect to see one in 10 computer jobs performed offshore by the end of the year, with a significant amount of clerical and analytical health care activities set to follow. U.S. banks plan on moving up to eight percent of their workforce offshore through the next five years. Government outsourcing is growing at 17 percent per year. Some of the most popular new activities for outsourcing include legal issues, accounting functions, capital asset management and treasury procedures, to name a few. In other words, your members!

Some of your members will find that their jobs will disappear, and they will leave your association base to move on to a new career. Others will find that they must develop new skills and capabilities to reinvent their relevance. Are you prepared to offer them the guidance, knowledge and support to deal with the era of the China price?

Of course, all of this is happening in an era in which there are two other certainties: (1) your membership base is going to decline as a result of the exodus of baby-boomers from the workplace; and (2) at the same time, it is becoming rapidly apparent that the newest generation of workers entering the workplace don't find a lot of relevance in joining associations. Those two facts alone guarantee further turmoil in your membership base—not to mention that the emergent era of "hollow companies" will continue to change the essence of the organizations employing your members.

Consider Metro International, a company that puts out small, local newspapers in major metropolitan areas around the world. The company is really just a brand – they make nothing and outsource everything. They employ few reporters; instead, they simply buy their content on the open market. They don't own any printing presses; they outsource that to organizations in the

We're At Your Service!
Our Staff is dedicated to making your next stay Comfortable, Productive and Enjoyable.
• Award Winning Sunday Brunch
• 300 Room Full Service Hotel
• Indoor Pool / Exercise Facility
• In-room coffee / Refrigerator
• HBO • Free Parking
Holiday Inn
South / Convention Center
6820 South Cedar Street
Lansing, MI 48911
Phone: 800/333-8123
517/694-8123
E-mail: sales@hislansing.com

markets in which they operate. They don't even own any distribution networks, preferring instead to use the services of those who already have well entrenched networks in the cities in which they operate. Noted the *London Times*, the company "operates, in effect, as a network orchestrator."

We can expect such a corporate structure to be the standard for the future. Therefore, the impact on your members is even more turmoil, challenge and change. They will increasingly become itinerant professionals, working on short-term projects for a wide variety of hollow companies. How will you reach them? What type of budget will they have for association activities? What is your role in supporting this new type of nomadic worker?

Refocusing Your Energies

The key point is this: in an era of change, effective leaders turn challenge in to opportunity. Forward thinking association executives understand that change is inevitable and that their attitude to the future is critical. They know that upping the association's strategic value to their members is of paramount importance, and they possess the insight to determine how to evolve their mandate in a way that supports their members with these new realities.

So, what key concepts should today's association leaders concentrate on as they prepare for the future?

1. **Appreciate the scope.** The change being experienced by your members as a result of the two trends discussed earlier is huge, and to deal with it properly, you must truly understand its scope.

2. **Step up to the opportunity.** Once you appreciate the scope, you'll realize that there are significant areas for opportunity. You should be thinking of the new demands for continual education within your membership base; new services that can help your members cope with rapidly increasing complexity; and new sub-associations that cater to the unique needs of rapid specialization. How about new forms of membership for those who are impacted by global economic trends? Forward thinking leaders recognize that big change involves big opportunity.

3. **Re-engage your passion.** Frankly, I wouldn't be surprised if things might become a bit hum-drum for many association executives. They put out the same old newsletter, organize the same old conference with the same old speakers and the same old tired theme, and deal with the same old issues around the same old table with the same old association board members. Yet, things are now different! If you think about where you are and where you are going, it's apparent that the extent of the opportunity for association executives is huge. That belief should re-ignite your passion and purpose as an association executive. Approach things that way, and you'll find that everything becomes exciting once again.

4. **Re-focus your energies.** What this means is that you, too, need to affect some change. Decide that it is time to re-examine your role and your mandate. Take a good hard look at what you do and ask, "Do we need to be doing something different today in light of the new realities that surround us?" Get your members and your board *thinking*, and you will re-channel your energies on what truly needs to be done.

5. **Control the trends—before the trends control you.** The future is rushing at us faster than ever before, and it is better to take the time to respond to these changes and control the destiny of your association before someone else does. As Andrew Carnegie noted: "The first one there gets the oyster; the second gets the shell."

6. **Crystallize your members' value.** A big part of what is happening in the world around us is that the value of the skills that your members are providing (regardless of

(continued on page 36)

Save the Date!

2005 Detroit Holiday Luncheon

Thursday, December 8, 2005

Detroit area

Visit www.msae.org for updates.

Art Craft
DISPLAY, INC.

Show Service Professionals

Lansing Grand Rapids Detroit

Event Set-up · Equipment & Tent Rental · Custom Signs

800-878-0710

www.artcraftdisplay.com

(continued from page 23)

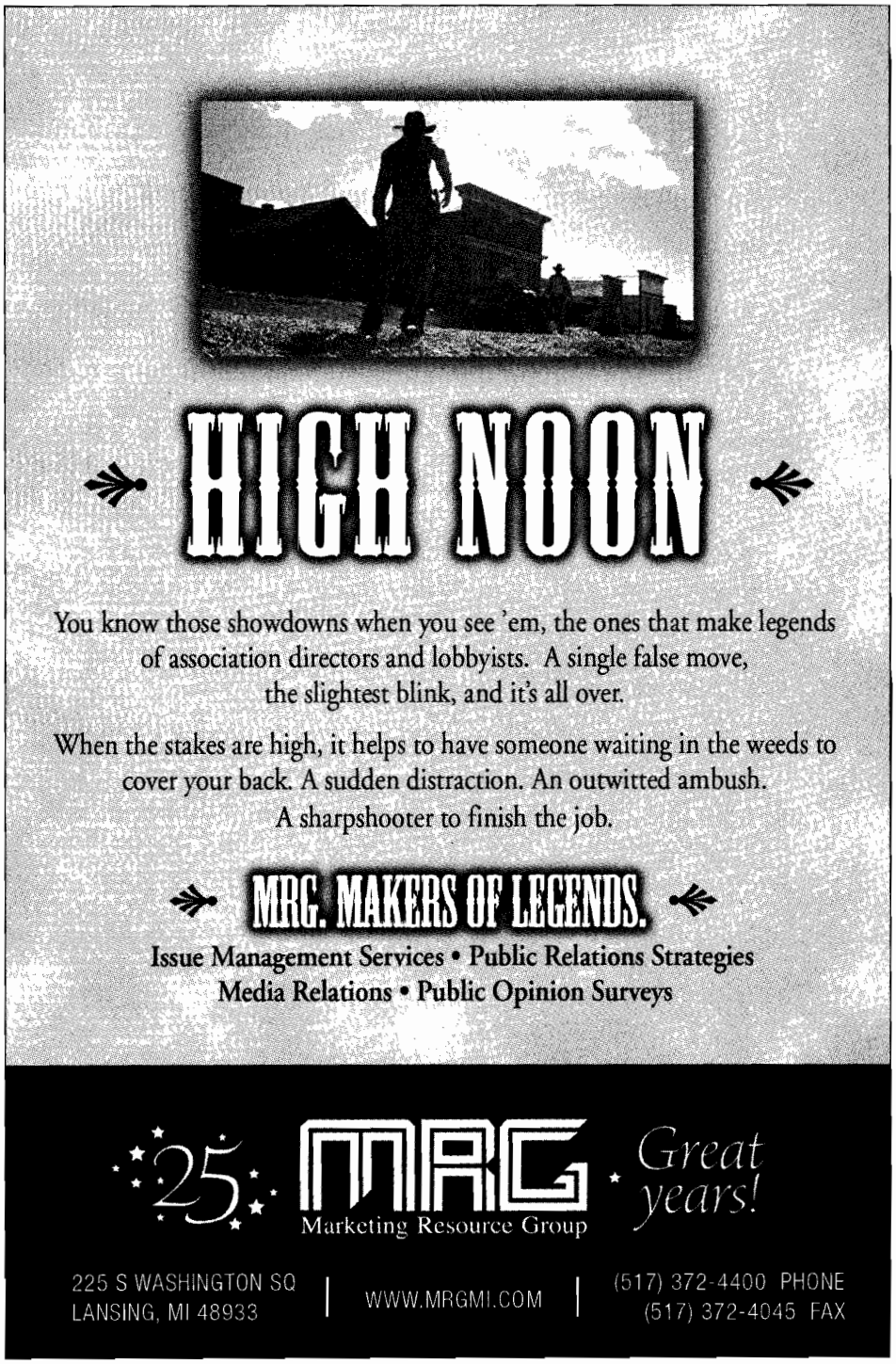
their career or profession) is being heavily impacted by global commoditization. Help your members make a transition from a low-value skill—merely tactical and a commodity—to one that is strategic, high value and in demand.

7. Sustain their knowledge. A recent report from the U.S. National School Boards Association noted that "only 15 percent of jobs will require college education, but nearly all jobs will require the equivalent knowledge of a college education." Think about that. Talk about an opportunity for a renewed mandate for your association! Can that not be a huge part of the role that your association undertakes as it seeks to crystallize your members' skill set?

8. Restore their enthusiasm! It's time that you restore the enthusiasm of your members for the role that your association provides. For some associations, membership levels continue to drop, conference attendance is down and members complain about the lack of useful services. Gen-Y won't join because they don't see the relevance of what you provide, and it's no wonder: many associations are on autopilot. Some plan the annual conference with the same old tired, clichéd themes, while their membership is struggling with everything that is going on around them. Why is it that they should be given a motivational message when what they really need is some critical insight, skills, knowledge and guidance on how to cope with a future that is rushing at them at a furious pace?

A decade from now, we will look back at this period as the beginning of a significant transition in the association sector. History is littered with the remnants of those who have failed to adapt to change. Going into the future, there will be many more associations that will fail to anticipate what comes next with their members and won't plan for the need for change in who they are and what they do. My message to you: step up to the challenge before it is too late. AN

Jim Carroll, FCA, is an international futurist, trends and innovation expert, with clients including the BBC, the Health Care Industry Distributors Association and the North American Newsprint Producers Association. He has just released a book entitled, What I Learned from Frogs in Texas: Saving Your Skin with Forward Thinking Innovation. *You can contact Jim at jcarroll@jimcarroll.com.*


HIGH NOON
You know those showdowns when you see 'em, the ones that make legends of association directors and lobbyists. A single false move, the slightest blink, and it's all over.
When the stakes are high, it helps to have someone waiting in the weeds to cover your back. A sudden distraction. An outwitted ambush. A sharpshooter to finish the job.
MRG. MAKERS OF LEGENDS.
Issue Management Services • Public Relations Strategies
Media Relations • Public Opinion Surveys
25
MRG
Marketing Resource Group
Great years!
225 S WASHINGTON SQ
LANSING, MI 48933
WWW.MRGMI.COM
(517) 372-4400 PHONE
(517) 372-4045 FAX

orgpro™
WHERE MICHIGAN ORGANIZATION PROFESSIONALS CONVERGE
2005

Hear more about this topic at ORGPRO 2005 by attending these sessions:

Mark My Words: Say What You Mean and Mean What You Say
Thursday, July 7th
3:15 - 4:30 p.m.

Unleashing Power & Passion in Organizations
Friday, July 8th
10:45 a.m. - 12:00 p.m.

To learn more about ORGPRO, see page 24 or visit www.orgpro.info.